

2000 Legislation could bring valuable benefits for PERSI members/employers

The Interim Committee on PERSI introduced the following legislation:

HB 510 – Gains sharing: This bill would add a Defined Contribution (DC) component to the PERSI plan funded by the “gains sharing” concept and voluntary employee contributions. The elements of the DC Component are:

- The PERSI Board will administer the DC Component
- The PERSI Board will determine the amount of excess assets available for gains sharing
- The PERSI Board will determine the percentages of the excess gains distributed to employees, employers and retirees based on account balances.
- Retirees will receive their allocation as a percentage of their current benefit in the form of a “13th check” that will be a one time addition to their regular monthly benefit.
- Employers will receive their allocation as a percentage of their contributions from the previous fiscal year in the form of a credit toward their contributions payable during the following calendar year.
- Employees will receive their allocation as a percentage of their account balances in the form of a contribution to their personal Defined Contribution account established within the PERSI fund. Employees will be eligible for contributions after 12 months of membership service.

- Employees may also make additional voluntary contributions to their DC account.
- The Board will establish the investment options, hire consultants, provide for trust and recordkeeping services and all other requirements to implement this program.
- There will be a strong educational program for members which we have proposed be exempt from the appropriation process and be under the direct control of the Board.
- Gains sharing would be in addition to the current PERSI plan, and would not affect current benefits in any way. Contribution rates also remain unaffected by gains sharing.

Status: The bill is scheduled for hearing on February 9, 2000 in House Commerce and Human Resources Committee.

HB 511 – Benefit Formula Multiplier:

This bill would raise the formula multiplier from 1.917% (2.225%) to 2.0% (2.3%). This would result in retirement benefits increasing about 4.3%.

Status: The bill is scheduled for hearing on February 9, 2000 in House Commerce and Human Resources Committee.

HCR 37 – Funding Stability: This is a House Concurrent Resolution affirming 100% funding of PERSI plus a reserve to absorb investment fluctuations.

Status: The resolution is scheduled for

hearing on February 9, 2000 in House Commerce and Human Resources Committee.

PERSI's Board Chairman recently sent letters explaining the above legislation to all PERSI employers for distribution to members. If you have not already done so, please distribute these letters to your employees.

Other PERSI legislation:

HB 401 – PERSI Technical Corrections

bill: Allows disclosure of information about a deceased member to the member's spouse, children or court appointed administrator; extends the time a for changing division of PERSI benefits in a divorce to the new law; changing the limit of benefit payments in 72-1442 to be consistent with 72-1447 and IRS limits.

Status: The House has passed the bill on a 68-0-2 vote. It has been introduced in the Senate

HB 402 – Voluntary Unused Sick

Leave Pool: This bill allows local governments to participate in an IRS approved Unused Sick Leave program similar to the State and School employees program on a voluntary, pay-as-you-go basis.

Status: The House passed the bill on a 65-0-5 vote. It has been sent to the Senate.

PERSI forms can now be printed from our website

Many of PERSI's forms are now available on our website. You and your employees can now download and print the forms. You will need Adobe Acrobat to download them, but that is available free from Adobe and we have supplied a link site.

If a form indicates it should have multiple copies, simply make copies for your files and for your employees where necessary. You may want to keep copies of all forms anyway.

To find the forms, go to www.persi.state.id.us and find the "forms" button along the top.

The next step will be for us to make it so forms can be filled out on-line, but that will take some time. In the meanwhile, these forms are available:

FORMS FOR EMPLOYERS

- 109 - Notice of Separation
- 118 - Police Officer Status
- 118a - Firefighter Status
- 130 - Certification of City or County Employee's 8-Month Seasonal Status

FORMS FOR ACTIVE MEMBERS

- 102 - Membership Application
- 108 - Request for Separation Benefit Payment
- 108a - Separation Benefit Important Information
- 110 - Address Change
- 113 - PERSI Durable Power of Attorney
- 115 - Beneficiary Designation and/or Member Name Change
- 115 - Beneficiary Designation Instructions
- 451 - Release of Information
- 460 - Alternate Date of Birth Evidence

FORMS FOR RETIRED MEMBERS

- 110 - Address Change
- 113 - PERSI Durable Power of Attorney
- 115 - Beneficiary Designation and/or Member Name Change
- 115 - Beneficiary Designation Instructions
- 322 - State Tax Withholding
- 448 - Direct Deposit Authorization
- 451 - Release of Information

FORMS FOR FIREFIGHTER RETIREMENT FUND MEMBERS

- 615 - Firefighter Spouse and Dependents Report (Beneficiary Designation)
- 621F - Firefighter Retirement Application

Forms may also still be obtained by contacting Lynn Duncan at 1-800-451-8228, 208-334-2451 ext. 250, or lduncan@persi.state.id.us.

Teachers should call the Superintendent of Public Instruction, not PERSI, for Early Retirement Incentive information

Recently, we have received quite a few phone calls from teachers regarding the Early Retirement Incentive offered by the Office of the Superintendent of Public Instruction. We discovered that contacts at the district offices have told the teachers to call PERSI. Evidently, this is because wording on the Early Retirement Incentive forms, makes it sound like members are supposed to call us.

Unfortunately, we are not able to assist teachers with the ERI. We really have no information available, other than the Superintendent of Public Instruction phone number: 332-6800

Call us if an employee passes away

If one of your employees passes away, it would be a big help to us and the employee's family if you would call to inform us of the death. Family members are often distraught at these times, and can use help handling necessary formalities. Often it is easier for the employer to tell us of a death rather than the family. Also, the sooner we are informed of a death, the sooner we can inform the family of their PERSI death benefit options.

You'll also need to: 1) complete an RS-109, Notice of Separation, marking box #13 and indicating the date of death, and 2) send in appropriate employer and employee contributions on the member's final salary.